PA Gold-Palladium Ratio Z

PA has traded both above (2020-2022) and below (2023+) GC . mean-reversion candidate.

David Stendahl · Market Lab Analytics · November 6, 2026

What this signal is

PA has traded both above (2020-2022) and below (2023+) GC . mean-reversion candidate.

The composite is bounded between minus one and plus one through tanh. On 2000-02-23 it reached its series maximum plus 1.000 and on 1990-09-28 its series minimum minus 0.998.

Today the composite reads near −0.98. See live page for current state.

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How the inputs compose

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The engine also computes four confirming features: five-day velocity, 60-day volatility regime, 60-day correlation with palladium returns, 63-day lag-1 autocorrelation.

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What the state-conditional returns have actually done

The palladium forward-60-day return baseline (unconditional) is mean plus 1.27 percent, median plus 0.85 percent.

> **Reference baseline (9,212 palladium-aligned forward-60-day windows over the live engine window)**
>
> Palladium forward-60-day return baseline: mean plus 1.27 percent, median plus 0.85 percent. Phase 0 source: Z85274 engine parquet joined with NYMEX palladium back-adjusted continuous closes.

Gold-palladium ratio elevated (Phase +1), 4,552 trading days, returned on average plus 3.07 percent.

Normal (Phase +0), 617 trading days, returned on average plus 0.10 percent.

Gold-palladium ratio depressed (Phase −1), 4,044 trading days, returned on average minus 0.59 percent.

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Three cases that frame how to read the signal

Case 1: 2000-02 composite series maximum

On 2000-02-23 the composite reached its series maximum plus 1.000. Palladium subsequent 60-day behavior aligned with the gold-palladium ratio elevated regime pattern.

Case 2: 1990-09 composite series minimum

On 1990-09-28 the composite reached its series minimum minus 0.998. Palladium subsequent 60-day behavior aligned with the gold-palladium ratio depressed regime pattern.

Case 3: March 2020 COVID shock window

The March 2020 COVID liquidity shock drove violent regime shifts across palladium drivers. The composite oscillated as the underlying mechanism repriced.

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How to use the signal today

This is a regime detector on a 60-day forward horizon.

Three best uses. First, as a regime filter for palladium exposure (Phase +1 equals gold-palladium ratio elevated). Second, as a cross-check against positioning and price-momentum signals. Third, as a transition-window warning, pairing with price-based signals for conviction.

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Methodology notes

PA has traded both above (2020-2022) and below (2023+) GC . mean-reversion candidate.

The 1989 start reflects the earliest reliable source coverage.

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What this signal does not cover

Four caveats. The signal is a regime detector, not a timing signal. State-conditional means hold on average, not for every individual window. Regime persistence varies with macroeconomic backdrop. Individual windows can run much longer or shorter than mean sample. State-conditional edges are backward-looking empirical averages. Future regimes may differ. The baseline is NYMEX palladium back-adjusted continuous (PA_1240BD).

Not investment advice. Signal readings and empirical statistics are derived from publicly available data sources. (c) 2026 David Stendahl.